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REMARKS

Claims 1–15, 17–20, 22–24, and 26–46 are pending in this application, prior to this amendment. Objected-to claims 15, 20, and 24 have been amended into a form that should be permissible under *In re Beauregard*. New claims 47–52 are added.

Claims 26–46 were rejected under 35 U.S.C. § 102(e) as being clearly anticipated by the *Zirkel* patent (U.S. 6,135,349), which coincidentally happens to be owned by the same assignee (First Data Corporation) as the present invention (Mr. Zirkel is a co-inventor on this application). Claims 1–15, 17–20, and 22–24 were rejected under 35 U.S.C. § 103(a) as unpatentable over allegedly admitted prior art, in view of the *Zirkel* patent and the *Kannady et al.* patent.

Reconsideration and allowance of the application is respectfully requested in view of these amendments and the remarks that follow.

Claim Objections

Claims 15, 20, and 24 were objected to under 37 C.F.R. § 1.75(c) as being of improper dependent form for failing to further limit the subject matter of a previous claim. These claims have been amended into a different form, which should be permissible and allowable under the case of *In re Beauregard*, 53 F.3d 1583 (Fed. Cir. 1995).

Claims 26–44 and 46 were objected to on the ground that it was unclear if applicant intended the “structure to” recitations therein to be interpreted in the special manner according to “means for” recitations under 35 U.S.C. § 112, sixth paragraph.

Without prejudice to the right to present claims in the “structure to” form without the restrictive interpretation as “means for” elements, applicant has amended the foregoing claims to expressly recite “means for” language.

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SERIAL NO. 09/473,383Rejection under 35 U.S.C. § 102

Claims 26-44 and 46 were rejected under 35 U.S.C. § 102(e) as being clearly anticipated by the *Zirkel* patent (6,135,349). In making the rejection, the examiner refused to give patentable weight to the recited functional language, deeming it merely intended usage of the invention.

Without admitting the propriety of this aspect of the rejection, applicant shows that (1) the allegedly objectionable “structure to” language has been replaced by “means for” functional language in these claims, thereby removing this particular basis for rejection (which is submitted was improper to begin with), and (2) the *Zirkel* patent does not anticipate the claimed invention, as the claims are properly interpreted, as the claims are structurally distinguishable from the *Zirkel* patent.

As has been stated already in the record of this case in prior papers, the *Zirkel* patent relates to a system and method for enabling a merchant to apply for a credit card processing account using the Internet. But the disclosure of this patent says absolutely nothing about (a) point of sale (POS) equipment or terminals, or (b) configuring such POS equipment or terminal for use in connection with credit card processing account (called a “merchant account” in the present application), or (c) configuring a merchant account file for administration of the merchant account with identification information and any risk adjustment measures. Such steps and means, among others, are recited in various claims of the present application, as amended, and should render both the method claims and the apparatus claims allowable.

The *Zirkel* patent is very non-specific (i.e. it is silent) when it comes to either operation in connection with a point-of-sale terminal, or in connection with risk adjustment measures that might be applicable to a particular merchant. Rather, the *Zirkel* patent’s disclosure and claims both focus on banking information associated with a merchant, and a bank profile of a bank associated with the merchant, and a mobile agent. Indeed, the Zirkel patent does not even show or describe point-of-sale equipment or terminals associated with the merchant, which is an aspect of each claim presented in this application. This alone should be sufficient to clearly demonstrate that *Zirkel* does not anticipate any claims presented herein.

For example, FIG. 1 of *Zirkel* shows collecting information from the merchant, including bank reference information (step 14) and bank account information (step 16); no terminal is

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mentioned, nor any risk adjustment measures. FIG. 2 shows system components but no point-of-sale terminal ("POS2000", element 52, is only described in connection with equipment and supplies data, see column 3, lines 59-60). FIG. 3 only shows general information collected from the merchant, but nothing about a point-of-sale terminal. FIG. 4 only shows owner and reference information, and bank reference information. FIG. 5 shows collection of banking information from the merchant. FIG. 6 shows only choice of card types taken. There are no more figures. There is nothing about configuring POS equipment.

To further demonstrate the differences between the *Zirkel* patent and the present invention, applicant has added new independent claims 47 and 50 to this application that "mirror," to the extent possible, the claims of the *Zirkel* patent, but in a manner that recites inventions that should be patentable to the present applicants. (See table below.) Such claims are presented as novel, nonobvious, and patentable, and as patentably distinct from the *Zirkel* patent. If the Office found these claims patentable -- as it did -- then the Office should also find the newly-presented claims patentable.

Applicant acknowledges that the claims of the *Zirkel* patent are not necessarily coextensive with the disclosure of the patent. However, a side-by-side comparison of newly-presented independent claims 47 and 50 with claims 1 and 2 of *Zirkel* clearly highlights significant differences (e.g. see the supplied emphasis) between the *Zirkel* patent and the subject matter of the present application (of which Mr. *Zirkel* is a co-inventor):

U.S Patent No. 6,135,349 to <i>Zirkel</i>	Newly Presented Claim in This Application
<p>1. A system for enabling a merchant to apply for a credit card processing account using the Internet to open a credit card processing account with a third party provider for the third party provider to process credit card orders made by customers with the merchant, the system</p>	<p>47. (NEW) A system for enabling a merchant to apply for a credit card processing account using the Internet to open a credit card processing account with a third party provider for the third party provider to process credit card orders made by customers with the merchant, the system comprising:</p>

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comprising:	
a computer browser in communication with the Internet;	a computer browser in communication with the Internet;
an Internet information server in communication with the computer browser over the Internet, the Internet information server providing HTML pages on the computer browser for a merchant to submit credit card processing account information to the Internet information server, wherein the submitted credit card processing account information <u>includes banking information</u> of a bank associated with the merchant the banking information being a function of a bank profile of the bank associated with the merchant, the bank profile being in the Internet information server; and	an Internet information server in communication with the computer browser over the Internet, the Internet information server providing HTML pages on the computer browser for a merchant to submit credit card processing account application information to the Internet information server, wherein the submitted credit card processing account information <u>includes credit check and score information</u> , said credit check and score information being in the Internet information server; and
a processor in communication with the Internet information server to process the credit card processing account information to determine whether to grant the merchant a credit card processing account with the third party provider, wherein the processor includes a <u>mobile agent for creating bank profiles</u> in the Internet information server, each bank profile being associated with a respective	a processor in communication with the Internet information server to process the credit card processing account information to determine whether to grant the merchant a credit card processing account with the third party provider, wherein a determination to grant the merchant a credit card processing account with the third party provider <u>comprises assigning a merchant identifier (MID) and a terminal identifier (TID) to</u>

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bank.	<u>point of sale (POS) equipment</u> to be utilized by the merchant in processing credit card orders, and <u>storing features of service for the credit card processing account including the MID and TID in a master account file</u> associated with the merchant in the processor;
(NO COUNTERPART)	<u>the processor being operative to provide the assigned MID and TID from the master account file for use in configuring the POS equipment in a POS equipment configuration operation.</u>

U.S Patent No. 6,135,349 to Zirkel*	Newly Presented Claim in This Application
2. A method for enabling a merchant to apply for a credit card processing account using the Internet to open a credit card processing account with a third party provider for the third party provider to process credit card orders made by customers with the merchant, the method comprising:	50. (NEW) A method for enabling a merchant to apply for a credit card processing account using the Internet to open a credit card processing account with a third party provider for the third party provider to process credit card orders made by customers with the merchant, the method comprising:
providing a computer browser in	providing a computer browser in

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communication with the Internet;	communication with the Internet;
providing an Internet information server in communication with the computer browser over the Internet;	providing an Internet information server in communication with the computer browser over the Internet;
browsing the Internet with the computer browser to receive HTML pages from the Internet information server;	browsing the Internet with the computer browser to receive HTML pages from the Internet information server;
entering credit card processing account information of a merchant into the HTML pages to submit the credit card processing account information to the Internet information server, wherein the submitted credit card processing account information <u>includes banking information of a bank associated with the merchant</u> , the banking information being a function of a bank profile of the bank associated with the merchant, the bank profile being in the Internet information server;	entering credit card processing account information of a merchant into the HTML pages to submit the credit card processing account information to the Internet information server, wherein the submitted credit card processing account information <u>includes credit check and score information</u> , said credit check and score information being in the Internet information server;
providing a processor in communication with the Internet information server;	providing a processor in communication with the Internet information server;
processing the credit card processing account information with the processor to determine whether to grant the merchant a credit card processing account with the third	processing the credit card processing account information with the processor to determine whether to grant the merchant a credit card processing account with the third

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party provider; and	party provider, <u>wherein a determination to grant the merchant a credit card processing account with the third party provider comprises assigning a merchant identifier (MID) and a terminal identifier (TID) to point of sale (POS) equipment to be utilized by the merchant in processing credit card orders;</u>
<u>creating bank profiles</u> in the Internet information server <u>using a mobile agent</u> of the processor, wherein each bank profile is associated with a respective bank.	<u>storing features of service for the credit card processing account including the MID and TID in a master account file</u> associated with the merchant in the processor; and
(NO COUNTERPART)	<u>providing the assigned MID and TID from the master account file for use in configuring the POS equipment</u> in a POS equipment configuration operation.

As can be seen, the claims of the *Zirkel* patent are consistent with the emphasis on banking information and lack of emphasis, let alone disclosure, of anything having to do with point-of-sale terminals or risk adjustment measures. Neither claim—nor the disclosure—even mentions a point-of-sale terminal or risk adjustment measures.

In contrast, the claims of the present application, as amended and among other things, are clearly directed to configuring a point-of-sale terminal, and/or risk adjustment measures in connection with a merchant account. Because the *Zirkel* reference fails to disclose, teach, or suggest these aspects, the claims cannot be deemed anticipated by the *Zirkel* patent. Accordingly, the 102(e) rejection is improper and should be withdrawn.

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Rejection under 35 U.S.C. § 103(a)

Claims 1–15, 17–20, and 22–24 and 45 were rejected as unpatentable over alleged prior art as described in the specification, in view of *Zirkel*, and further in view of *Kannady et al.* (5,263,164). According to the examiner, if the invention is merely automating a known process using the Internet, then the invention would be deemed obvious. In this regard, the examiner asserted in the Office Action on page 6 that “as described by applicant, the instant invention is a method of using the Internet, by means of appropriate computer hardware and software, to perform an otherwise conventional, well known method for activating a merchant account, accomplishing the same result as had heretofore been accomplished via manual means.”

To begin with, *Zirkel* is not available as a reference under Section 103. Any rejection based on *Zirkel* is improper and must be withdrawn. 35 U.S.C. § 103(c); MPEP 706.02(k). As stated therein, “Subject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.” The examiner has clearly asserted the *Zirkel* patent as available under 35 U.S.C. § 102(e).

Attached hereto as Exhibit A is a true and correct copy of the Assignment of the present invention to First Data Corporation, executed on or about January 16, 2000. The *Zirkel* patent is on its face shown as assigned to First Data Corporation. Accordingly, based on the facts of record, an obviousness rejection based on *Zirkel* cannot proceed. If further evidence of these grounds for removal is required, the applicant will be glad to supply it.

This leaves only the *Kannady et al.* patent as grounds for rejection under 35 U.S.C. § 103. The *Kannady et al.* patent was cited by the examiner as disclosing a system and method whereby point of sale hardware, and software appropriate/required for operating the hardware, is chosen remotely with the software being configured remotely with the user's account information/settings so that the point of sale equipment is ready for the user to use. The examiner concluded that it would have been obvious to one of ordinary skill in the art, at the time

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of the invention, to have further modified the method described above (i.e., presumably *Zirkel*) so as to configure the selected hardware with the software necessary to operate the hardware, and to configure the software with the user's account information/settings, in accordance with the teachings of *Kannady et al.*, in order to provide the point of sale equipment to the user in a turnkey, ready to use state, thereby increasing the convenience to the user, hence the desirability and likelihood of a user selecting the point of sale equipment and merchant account vendor over a competitor.

The citation of *Kannady et al.* as a rejection is traversed. It should be clear that this reference does not supply sufficient disclosure or teachings to be used as a 102 reference or as a 103 reference by itself. And, it only teaches the notion of automating the collection of information from a customer and providing a specification of a transaction system to fulfill a customer's needs and desires. (Col. 2, lines 20-25). A specification is hardly an actual configuration operation for a point of sale terminal. This is described in connection with determining a system hardware configuration, admittedly including a point of sale terminal. (Col. 1, line 27-30).

However, this patent fails to disclose, teach or suggest various specific claimed aspects of the present inventions, for example, configuring a point of sale terminal involving an on-line session for gathering required information for establishing a merchant account, selection of a point of sale terminal for use, displaying terms and conditions for acceptance, thereafter establishing specific information of a merchant ID and terminal ID that are stored in an account file, thereafter configuring the selected POS terminal, etc. (see, e.g. claims 1 and 26). Nor is there any teaching of displaying point of sale terminal options including view control items, or determining a credit risk score or displaying terms and conditions commensurate therewith, in conjunction with other steps relating to configuring a point of sale terminal, or electronically issuing a visitation order (see, e.g. claims 17 and 40). Nor is there any teaching of determining risk adjustment measures, in conjunction with other steps relating to configuring a point of sale terminal (see, e.g., claims 22 and 43).

Furthermore, the applicant objects to the marginalization by the examiner (presumably at the direction of Group 3600 management) of this invention by suggesting that there is no

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invention, or only obvious improvement, in the application of Internet and computer technologies to automate processes that have heretofore been only possible to implement with labor intensive, paper intensive, and personal-visit intensive human activity. In this regard, the present application clearly sets forth the slowness and inconvenience of the conventional process of activating a merchant account, requiring an applicant to fill out a form, submit it, have the form approved, etc. (See Background of the Invention in the present application, pages 1-4, and specifically page 4, lines 3-12). Aspects of the claimed inventions provide utility and advantages of an on-line process, determining terms and conditions applicable to the applicant based on the information received, then using an on-line acceptance of such terms and conditions to activate the merchant account with appropriate information, followed by configuring a selected point-of-sale terminal (either a new terminal or a terminal already in possession of the applicant), and other related steps that could only occur with an integrated, on-line application process, with determining terms and conditions while on-line, and then configuring the selected point-of-sale terminal. The known manual process is completely incapable of this real time account provisioning, determination of terms and conditions in veritable "real time."

Applicant has not "merely automated" a known manual process. That characterization omits significant steps or components and is tantamount to impermissible hindsight reconstruction.

No available prior art provides the missing teachings. As described above, the *Zirkel* patent (on the merits) is completely silent about configuring a point-of-sale terminal, let alone provisioning a merchant account based on the on-line determination of qualification for the account, and of determining terms and conditions applicable to the merchant account, and of displaying such terms and conditions, receiving acceptance, and then configuring the point-of-sale terminal. Based on the foregoing, it is not believed that a rejection premised on the applicant's alleged admissions, combined with *Zirkel* (which is not available for an obviousness rejection, and does not suffice as a 102 rejection), or combined with aspects of *Kannaday et al.*, can be maintained, given the law as established by the Federal Circuit.

Further still, the examiner has failed to set forth a *prima facie* case of obviousness, as set forth in MPEP 706.02(j). The Office Action fails to adequately state the grounds of rejection in

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the manner required therein, by pointing out the suggestion or motivation to modify any properly available reference or to combine properly available reference teachings. Nor has the examiner explained any reasonable expectation of success from such a modification. Nor has the examiner found any properly available prior art reference that teaches or suggests all the claim limitations. Moreover, any teaching or suggestion to make the claimed combination and the reasonable expectation of success must be both found in the prior art and not based on applicant's disclosure—the examiner's reliance on the applicant's statements about the manual process for establishing a merchant account cannot be used in a rejection in the manner set forth in the Office Action, according to the MPEP. For these reasons alone—aside from the merits of the case discussed in detail above—the obviousness rejection should be withdrawn.

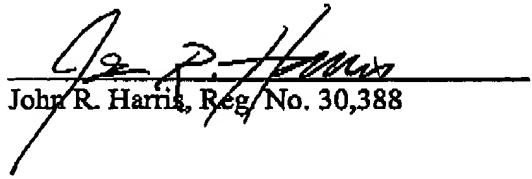
It is simply improper for the Office, or for the examiner under direction of any supervisors or other management personnel of the Office, to maintain a rejection of this case on such tenuous grounds—these rejections are improper and should be withdrawn.

For the foregoing reasons, it is respectfully submitted that independent claims 1, 17, 22, 26, 40, and 43, and new independent claims 47 and 50, and their respective dependent claims, should be found novel, nonobvious, and therefore patentable.

The foregoing is submitted as a full and complete response to the Office Action final rejection mailed June 11, 2004 and is believed to have placed all claims in condition for allowance. Such action is courteously solicited. If any issues remain that can be resolved by telephone, the examiner is respectfully requested to contact the undersigned at 404 504 7720.

Respectfully submitted,

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